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## FACTS ABOUT WHEAT AND THE 1942 MARKETING QUOTA REFERENDUM

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A great many people assume that since we are in the war and prices of a great many products are going up, wheat would be high even if there wasn't any wheat program. The facts point to just the opposite conclusion. We have twice as much wheat as we have a market for and the war isn't increasing the demand. As a matter of fact, it has cut off about all our remaining sales abroad. Prosperity doesn't increase the quantity of wheat folks eat in this country, at least not enough to amount to anything.

Here are the facts. We use a total of about 670 million bushels a year in this country for all purposes, including feed and seed. We shall have within a gnat's eyebrow of that amount--635 million bushels to be exact--left over when we start harvesting this year's crop and that is expected to add another 793 million bushels.

What this kind of situation means to prices is shown by the prices farmers have been receiving in other wheat producing countries like Canada, Argentina, and Australia where they don't have our farm program. In Canada wheat has been worth about 53 cents a bushel on the farm. It is going up some now because Canada is trying to put an effective wheat program into action too, but is still far below our price. In Argentina and Australia it has been worth about 56 cents and this price was reached only with Government help.

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But when fair prices are assured another step is necessary. Every farmer knows what it is--he has seen good prices quickly bring expanded production and low prices. So, any program which supports prices at really profitable levels must also have a companion measure to keep the market from being flooded as a consequence of the good prices. That is the basic principle of the wheat just as it must be of any farm program that really brings good prices.

For wheat the positive price support is the loan at 85 per cent of parity price. Any cooperating farmer can put his wheat in storage for a loan at that price and, if he wants to do so, can turn it over to the Government in full satisfaction of the loan. That's real price support. The companion measure is the marketing quota--to prevent disastrous flooding of the market. The farm act provides that Government loans will not be made whenever the stock pile of wheat has accumulated above a certain amount unless the farmers, voting in a referendum, decide to place marketing quotas in effect. The quotas not only keep the excess off the market but they assign a fair share of this job to each grower.

No farm program can live long unless it provides for fair and equitable sharing of the burdens as well as of the benefits. Any proposal to exempt areas or classes of farmers, such as deficit producing areas or producers who feed part of their wheat, from carrying their part of the load is a proposal to destroy the program and the price with it.

## MARKETING QUOTA REFERENDUM CALLED FOR MAY 2, 1942

Supplies of wheat in July 1942 will be far above the quota level and a referendum has been scheduled for May 2, 1942 in which the producers will decide whether marketing quotas will apply to the 1942 crop. Every producer having 15 acres of wheat on which the normal production is 200 bushels or more is eligible to vote.

## PROTECTION TO THE NATION

At the present time, the Ever-Normal Granary, of which the wheat program is a part, is giving a dramatic demonstration of its usefulness to the nation as a whole as well as to the farmer. The presence of the wheat stored in the Ever-Normal Granary is a guarantee against scarcity. The wheat producer is protected by fair prices. The consumer in the city or the feeder in the country knows that his needs will be met at the same fair prices. If there ever was a time at which an Ever-Normal Granary is needed, this is it.

It has been said time and again that this is a war in which the side that produces most efficiently will win. Efficiency involves concentrating the use of our limited resources upon those products that are needed the most. We have more wheat than we need. It would be national waste of vital resources of land and labor if we did not transfer them from the production of excess wheat to vitally needed

foods. In the Northeast, acreage devoted to the production of peas or tomatoes for canning, soybeans, dry beans, legume hay or good pasture will do more for national defense than it will if used to raise excess wheat.

### UNITED STATES WHEAT SUPPLY SITUATION

	1940	1941	1942
	(million bushels)		
Carryover, July 1 .....	282	387	635 <sup>1</sup>
Production .....	817	946	793 <sup>1</sup>
Total Supply ....	1,099	1,333	1,428 <sup>1</sup>
Domestic Disappearance..	678	670	670 <sup>1</sup>
Exports .....	34	28	27 <sup>1</sup>
Total .....			
Utilization ...	712	698	697 <sup>1</sup>
Acreage planted .....	66,354,000	62,404,000	54,400,000 acres
Allotment .....	62,000,000	62,000,000	55,000,000 acres

<sup>1</sup> Estimated.